

Article - Natural Resources

[\[Previous\]](#)[\[Next\]](#)

§5-1702.

(a) Before the Board of Public Works may solicit bids for or award any lease for production of oil or natural gas from beneath lands or waters of the State, and after receiving the written recommendation of the Critical Area Commission for the Chesapeake and Atlantic Coastal Bays (if the leased area is located in the State's critical areas) and the advisory comments of the Secretaries of Budget and Management, Natural Resources, the Environment, and Commerce and the Director of Planning, the Board of Public Works shall direct the Secretary of Natural Resources in consultation with the Secretaries of the Environment, Commerce, and Budget and Management and the Director of Planning to prepare a statement of environmental, fiscal, and economic impact of the proposed lease.

(b) (1) The statement of environmental, fiscal, and economic impact shall be prepared and filed within 6 months after the direction of the Board of Public Works. However, the Board of Public Works may extend this time limit for not more than an additional 12 months for good cause.

(2) The statement of environmental, fiscal, and economic impact and any written background and supporting material shall be available for public inspection.

(3) The Board of Public Works shall provide by regulation for recovery by the Department of Natural Resources from bidders or lessees, as appropriate, of the costs of preparing a statement of environmental, fiscal, and economic impact.

(c) The statement of environmental, fiscal, and economic impact shall include the following information:

(1) An assessment of the probable deleterious effects of the proposed drilling operation and production facilities, including the probabilities and consequences of accidental discharge of oil or gas to the environment during drilling, production, and transportation, on:

(i) Finfish, shellfish, and other marine or freshwater organisms;

(ii) Birds and other wildlife that use the air and water resources;

(iii) Air and water quality; and

(iv) Land and water resources;

(2) An areawide environmental impact statement, including, where applicable, the probable environmental effects of pollution on the Chesapeake Bay, its tributaries, and the areas surrounding the proposed lease site;

(3) An inventory of existing economic and environmental conditions at the proposed lease site and in the immediate area;

(4) A project description of what is to be constructed, the manner and construction schedule, and the method of construction;

(5) A complete description of any proposed production facility, including at least its anticipated size, effluent load, and production levels;

(6) Recommendations for minimizing any adverse economic, fiscal, or environmental impacts;

(7) An examination of the secondary environmental effects of induced economic development due to the drilling and production; and

(8) An evaluation of the need for the production facility and the relative merit of other possible sites.

[\[Previous\]](#)[\[Next\]](#)